

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of SOUTHERN CALIFORNIA GAS COMPANY for authority to update its gas revenue requirement and base rates. (U 904 G)

Application 02-12-027  
(Filed December 20, 2002)

Application of SAN DIEGO GAS & ELECTRIC COMPANY for authority to update its gas and electric revenue requirement and base rates. (U 902-M)

Application 02-12-028  
(Filed December 20, 2002)

Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Service and Facilities of Southern California Gas Company and San Diego Gas & Electric Company.

Investigation 03-03-016  
(Filed March 13, 2003)

**ADMINISTRATIVE LAW JUDGE'S  
FIRST RULING REQUIRING SETTLING PARTIES  
TO PROVIDE FURTHER INFORMATION**

**Background**

On December 19, 2003 Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) filed Motions for adoption of proposed settlements on test year 2004 revenue requirements.<sup>1</sup> In addition to the

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<sup>1</sup> Pursuant to Rule 51.1(c) of the Commission's Rules of Practice and Procedure, the first motion was filed by SoCalGas, the Office of Ratepayer Advocates (ORA), The Utility Reform Network (TURN), Utility Workers Union of America (UWUA), Local 483 UWUA, Southern California Generation Coalition (SCGC) and Greenlining Institute (Greenlining) (collectively the "SoCalGas Settling Parties") addressing Phase 1 of the above-captioned SoCalGas Cost of Service (COS) proceeding and the second motion was filed by SDG&E, ORA, Greenlining, Coral Energy Resources, LP (Coral), and the Coalition of California Utility Employees (CUE)

*Footnote continued on next page*

motions SoCalGas and SDG&E also filed the Settlement Agreements and Joint Settlement Comparison Exhibits.

### **Information Request**

Because of the size and complexity of the proposed settlements it is necessary to seek further information to clarify either the intent of the Settling Parties or more specific details about the settlement agreements. Further requests for information may be posed in additional rulings. Accordingly, SoCalGas and SDG&E, after consulting as necessary with the Settling Parties, are to provide responses to the questions below. If SoCalGas and SDG&E, or other parties need any clarification, applicants should arrange a telephonic conference with the assigned Administrative Law Judge (ALJ).

1. In the proposed Joint Settlement Comparison Exhibits what is the agreement on the inclusion of specific activities and costs associated with Sarbanes-Oxley? Identify the inclusion of specific new or increased activities originally requested in the direct testimony of Mr. Ault or indicate that the proposed settlement only adopts a dollar lump sum estimate. Provide the proposed settlement information in table format by account, consistent with the proposed settlements' cost of service revenue requirements. Show costs separately for specific activities unless the proposed settlement is a dollar lump sum and does not specify any included Sarbanes-Oxley activities.

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(collectively the "SDG&E Settling Parties") addressing Phase 1 of the above-captioned SDG&E COS proceeding. When referring generally to both settlements, the two groups are collectively the Settling Parties.

2. For the proposed settlement provide a complete compilation of all labor costs (wages, benefits, and incentives). These costs appear to be in the Joint Settlement Comparison Exhibits as components of most accounts. Provide the test year information in a single table format (excluding all non-labor costs) by account and consistent with the proposed settlements' cost of service revenue requirements. Show a comparison to the end of hearings positions of SoCalGas and SDG&E.
3. For all labor costs in the Joint Settlement Comparison Exhibits provide an additional column in the response to 2, above, that shows the proposed settlements' employee count in "full-time-equivalents" (FTE) or indicate that the proposed settlements do not identify an estimated number of employees, only a dollar lump sum.
4. Provide to the Energy Division a fully functional copy of each company's rate model reflecting the settlement agreement numbers. Include any other changes that may have been made to the rate model since it was furnished to the Energy Division with supporting documentation.

All responses should be provided in hard copy and electronically form to the ALJ. Electronic responses should be in fully functional Microsoft Excel or Word files. All responses should be provided as soon as practicable, preferably within two weeks. As appropriate, additional references may be provided to exhibits already in the formal record or to any of the information filed with the Settlement Agreements.

**IT IS RULED** that:

1. Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company's (SDG&E) should respond on behalf of the Settling Parties to the four information requests posed in this Ruling.

2. SoCalGas and SDG&E shall electronically serve the responses on the service lists for this proceeding and provide both hard copy and electronic form responses to the Energy Division and the assigned Administrative Law Judge.

3. Any Interested Party that objects to the responses shall file a motion stating their objections within five business days of the responses' service. SoCalGas and SDG&E and the Settling Parties may respond within five business days of any objection's filing.

4. Parties who have electronic mail addresses on file with the Commission will not be served a hard copy of this ruling, consistent with the electronic service protocols adopted for this proceeding; all parties without an electronic mail addresses will be served a hard copy via U.S. mail.

Dated December 31, 2003, at San Francisco, California.

/s/ DOUGLAS M. LONG

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Douglas M. Long  
Administrative Law Judge

## **CERTIFICATE OF SERVICE**

I certify that I have this day served a true copy of the original attached Administrative Law Judge's on all parties of record in this proceeding or their attorneys of record. Under the electronic service protocols adopted for this proceeding, all parties with an electronic mail address will be served via electronic mail only; all parties without an electronic mail address will be served a hard copy via U.S. mail.

Dated December 31, 2003, at San Francisco, California.

/s/ JANET V. ALVIAR

Janet V. Alviar

## **N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.